

Employees of the Mysore State was continued on a temporary basis and the present sanction would expire by the end of June 1959.

ORDER No. FD 14 ACP 58, DATED BANGALORE, THE 25TH JUNE 1959
(ASHADHA 4, SAKA ERA 1881).

Government direct that the present arrangement be continued till the end of August 1959.

2. As already laid down in Government Order No. FD 14 ACP 58 dated 8th April 1959 cash payments of insurance premia in the Treasuries should be accepted only in respect of old Mysore Government Insurance Department policies (and not in respect of other policies of the Life Insurance Corporation of India).

By Order and in the name of the Governor of Mysore,

N. S. BHARATH,

*Deputy Secretary to Government,
Finance Department (Budget)*

Issues instructions regarding the Transfer of Government assets to State-owned Private Limited Companies, outside parties, institutions, etc.

READ—

Letter No. AA. 6-35/58-59/257, dated 28th January 1959, from the Accountant, General, Mysore, Bangalore.

ORDER No. FD 29^BBUD 59, DATED BANGALORE, THE 18TH JUNE 1959
(JYEISHTA 28, SAKA ERA 1881):

The Accountant General has brought to the notice of the State Government that the Government of India have, in consultation with the Comptroller and Auditor General of India decided that as and when a Government undertaking is converted into a State-owned Private Limited Company, specific approval of the Parliament should be obtained by means of a token vote or otherwise, for the transfer of Government assets to the new company. Similarly in respect of transfer or gift of Government property of a value exceeding Rupees One Lakh to outside parties, institutions, etc., the Government of India have decided that such a transfer should be made only after it is brought to the notice of Parliament by a suitable mention in the Explanatory Memorandum on the Budget. In cases of urgency, the Government of India have however, agreed that arrangements might be made by entrusting the management of the property to the body or institution, but the formal transfer of the title to the property should be effected only after the mention is made in the Explanatory Memorandum on the Budget. The Government of India have further stated that when Government property is transferred to an autonomous organisation, suitable safeguards should be imposed to provide that it should not be encumbered or alienated by the recipient without the prior approval of Government.

The Accountant General has suggested that similar procedure should be followed by the State Government with the modification that in the case of transfer of Government property to outside parties, etc., the monetary limit should be Rs. 50,000.

The question of prescribing a procedure similar to that laid down by the Government of India in regard to the transfer of Government assets to State-owned limited companies/autonomous bodies was examined by Government. After careful consideration Government have decided to follow the procedure laid down by the Government of India. Accordingly the following instructions are issued in the matter:—

(i) As and when a Government undertaking is converted into a State-owned Private Limited Company in future, specific approval of the Legislature should be obtained, by means of a token vote or otherwise, for transfer of the Government assets to the New Company.